



Sean Rogan
Executive Director

**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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Gloria Molina
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Commissioners

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

July 05, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

30 July 5, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**ADOPT RESOLUTION APPROVING ISSUANCE OF MULTIFAMILY HOUSING MORTGAGE
REVENUE BONDS FOR MULTIFAMILY HOUSING IN UNINCORPORATED FLORENCE-
FIRESTONE
(DISTRICT 1) (3 VOTE)**

SUBJECT

This letter recommends that your Board adopt a Resolution approving the issuance of Multifamily Housing Mortgage Revenue Bonds to finance the site acquisition and construction of Slauson Station, a 30-unit multifamily project to be located at 1707-1717 East 61st Street in unincorporated Florence-Firestone. This letter relates to an item on the agenda of the Board of Commissioners of the Housing Authority of the County of Los Angeles (Housing Authority) to authorize the Executive Director of the Housing Authority to apply to the California Debt Limit Allocation Committee (CDLAC) for the bond allocation.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Acting as a Responsible Agency for the Slauson Station Apartments Project (Project), certify that the County has independently considered the attached Environmental Assessment/Mitigated Negative Declaration (EA/MND), prepared by the Community Development Commission as Lead Agency, and has reached its own conclusions regarding the environmental effects of the Project; and find that the mitigation measures identified in the EA/MND are adequate to avoid or reduce potential environmental impacts to below significant levels.

2. Adopt and instruct the Mayor to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, approving the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority in an amount not exceeding \$7,500,000 to Slauson Station Apartments, L.P. (Developer), a California Limited Partnership, to finance the site acquisition and construction of the

Project, a 30-unit multifamily rental housing development located at 1707-1717 East 61st Street in unincorporated Florence-Firestone.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to approve the issuance of Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$7,500,000, in order to finance the site acquisition and construction of Slauson Station Apartments.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Project, to be located at 1707-1717 East 61st Street in unincorporated Florence-Firestone, will consist of a three-story apartment building with five one-bedroom units, 14 two-bedroom units, and 11 three-bedroom units. Four of the units will be reserved for households with incomes that do not exceed 30% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development. Nine units of the units will be reserved for households with incomes that do not exceed 35% of AMI, and sixteen units will be reserved for households with incomes that do not exceed 50% of AMI. The affordability requirements will remain in effect for 55 years. The manager's unit will have no affordability requirements.

Adoption of the Resolution by your Board is required prior to the submission of the Housing Authority's application to CDLAC for a private activity bond allocation. This action does not, however, authorize the issuance and sale of the bonds. The Housing Authority will return to the Board of Commissioners for this authorization at a later date.

On February 18, 2011, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The attached Resolution was prepared by Kutak Rock, Housing Authority Bond Counsel, and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The Community Development Commission prepared an Environmental Assessment for this project pursuant to the requirements of the National Environmental Policy Act. Based on the conclusions and findings of the Environmental Assessment, a Finding of No Significant Impact was approved by the Certifying Official of the Community Development Commission on August 2, 2005. Following the required public and agency comment period, HUD issued a Release of Funds for the project on August 23, 2005.

As a Responsible Agency, and in accordance with the requirements of the California Environmental

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Quality Act (CEQA), the County reviewed the EA/MND prepared by the Community Development Commission and determined that the project will not have significant adverse impact on the environment. The County's consideration of the EA/MND, and filing of the Notice of Determination, satisfies CEQA Guidelines as stated in Article 7, Section 15096.

The EA/MND, including the Mitigation and Monitoring Plan, was approved by the Board of Commissioners of the Community Development Commission as Lead Agency on May 2, 2006.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed action is a necessary step to provide bond financing for the Project, which will retain the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line.

SEAN ROGAN

Executive Director

SR:jwr

Enclosures

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE BONDS AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") intends to adopt a plan of financing to sell and issue multifamily housing revenue bonds in one or more series issued from time to time, and at no time to exceed \$7,500,000 in outstanding aggregate principal amount (the "Bonds"), in order to assist in financing the acquisition and construction of a multifamily rental housing development consisting of 30 units located at 1707-1717 East 61st Street, in unincorporated Los Angeles County (the "Project"), to be owned by Slauson Station Apartments L.P., a California Limited Partnership (or an affiliate or assign); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the Bonds are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the Bonds may qualify for exclusion from gross income under Section 103 of the Internal Revenue Code of 1986 (the "Code"), only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the County of Los Angeles, California; and

WHEREAS, this Board of Supervisors is the elected legislative body of the County and is the applicable elected representative of the Authority within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Authority has, following notice duly given, held a public hearing regarding the issuance of such Bonds on February 18, 2011, and now desires that the Board of Supervisors approve the issuance of such Bonds; and

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by law;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board of Supervisors hereby approves the issuance of the Bonds by the Authority to finance costs of the Project. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the Bonds by the applicable elected representative of the issuer of the Bonds and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the bonds are to be issued and sold shall be approved by the Board of Commissioners of the Authority in the manner provided by law prior to the sale thereof.

4. The Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the Authority.

5. This Resolution shall take effect immediately upon its adoption.

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PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles,
State of California, this 5th day of July, 2011, by the following vote:

AYES: *Supervisors Molina, Ridley-Thomas, Yaroslavsky, Knabe and Antonovich*

NOES: *None*

ABSENT: *None*

ABSTAIN: *None*

By *Mike Antonovich*
Mayor, County of Los Angeles

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By: *An Tah*
Deputy



APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: *Behnaz Jasak*
Deputy